

DEPARTMENT OF HEALTH SERVICES

4744 P Street

P.O. Box 942732

Sacramento, California 94234-7320

(916) 657-1460

September 15, 1998

PPL No. 98-021



To All County Medi-Cal Administrative Activities (MAA)/
Targeted Case Management (TCM) Coordinators and
Advisory Committee Members

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TCM/MAA

TARGETED CASE MANAGEMENT ANNUAL COST REPORT INSTRUCTIONS

Each local governmental agency (LGA) participating in the TCM program is required to submit a Cost Report identifying the prior year costs of providing TCM services to the Department of Health Services (DHS). The purpose of this letter is to notify LGAs, who deliver TCM services, that the basic concept and calculations of the Cost Report **HAVE NOT CHANGED** from last year. The instructions mentioned below are contained in Section 4 of the MAA/TCM Provider Manual (*TCM Cost Report*)

1. **Instructions for the TCM Cost Report.**
Provider Manual page's **T.4-2-1 through T.4-2-12** explains how to complete the Cost Report, including WORKSHEETS "A" through "D."
2. **TCM Annual Cost Report "Certification Form."**
Provider Manual page **T.4-2-13** contains a TCM Annual Cost Report Certification form which must be signed and dated by an appropriate LGA representative, such as a Chief Financial Officer of the TCM Program Administrator, and returned to DHS.
3. **Example of a Completed Cost Report.**
Provider Manual pages **T.4-2-18 through T.4-2-31** contain an example of a Cost Report which represents a fictitious organization (County ABC) who provided Public Health TCM services. This example is intended to illustrate the Cost Report/TCM rate calculations, contained on WORKSHEETS "A" through "D" and on SCHEDULES 1.0, 1.1, and 1.2.
4. **TCM Cost Report "Checklist."**
Provider Manual page's **T.4-2-32 and T.4-2-33** contain a TCM Cost Report Checklist, which is intended to facilitate the DHS review of the TCM Cost Report. This checklist must be completed and returned to the DHS.
5. **TCM Cost Report "Questions."**
Provider Manual pages **T.4-2-34 through T.4-2-40** contain TCM Cost Report questions and answers.

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6. **Reimbursement Methodology, TCM Cap, and TCM Rate.**

Provider Manual page's T.4-3-1 through T.7-1-3 discusses the TCM reimbursement methodology, TCM cap, and rate.

TCM Cost Reports for FY 1997-98 must be sent to the DHS no later than November 1, 1998. TCM Cost Reports with an official post office postmark, a FedEx date, or a UPS date of November 1, 1998, will be accepted. This TCM Cost Report will be used by the DHS to establish the TCM rate for FY 1998-99. The FY 1997-98 TCM Cost Report must be based on the September 1998 time-survey results. Please refer to **PPL No. 98-016** (*TCM and MAA Time Surveys for FY 1998-99*).

It is essential that all LGA programs and/or departments, providing TCM services, within a specific program area, be consolidated into a single Cost Report. A single Cost Report **must** be submitted to the DHS for each program area set forth in the State Plan for which the LGA is participating. The five program areas in the State Plan are: Adult Probation, Linkages/Aging, Outpatient Clinics, Public Guardian, and Public Health. Failure to submit the TCM Cost Report by the due date will violate the provisions of Article II (A), (B) and (1) of the Medi-Cal TCM Provider Participation Agreement (reference Title 22, Section 51535.7, California Code of Regulations) and will jeopardize TCM reimbursement for the entire FY. Please send the completed Cost Report packages to:

Department of Health Services
Administrative Claiming Unit
714 P Street, Room 1640
P.O. Box 942732
Sacramento, CA 94234-7320

Please be sure that a copy of this transmittal is disseminated to appropriate LGA staff. If you have any questions regarding this policy, please contact the Administrative Claiming Unit analyst assigned to your LGA.

Sincerely,



David Mitchell, Chief
Medi-Cal Benefits Branch

cc: See next page.

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Medi-Cal Administrative Activities:	N/A
Targeted Case Management:	X
Policy Effective Date:	Quarter Beginning 7/1/98
Policy References:	PPL 98-016 CCR, Title 22, 51535.7 W&I Code, 14132.44 (f)

cc: Mr. Bill Lasowski
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bcc: Mr. Mervin Tamai

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